

June 6, 2012

The Honorable Stephanie Rawlings-Blake
Mayor
City of Baltimore
City Hall, Room 250
100 N. Holliday Street
Baltimore, Maryland 21202

Re: Response to Letter of Interest in Intermodal Facility

Dear Mayor Rawlings-Blake:

Thank you for your recent letter regarding the proposed rail intermodal facility and for taking an interest in this project that is so important to the Port of Baltimore, the city, the state and CSX.

As you know, CSX and the State of Maryland signed a Memorandum of Understanding in 2009 to become partners in the development of an intermodal facility in the Baltimore-Washington region.

Recently, we have concluded that the cost estimates, which are to be shared on a 50-50 percent cost-share basis with the state, and the likely construction timeline associated with the existing candidate sites will make it difficult to have a facility ready in time to support the Port's plan for attracting additional marine cargo business beginning in 2015. Unless we are able to develop an intermodal facility south of the Howard Street Tunnel, Baltimore could be the only major East Coast port without double-stack rail service when the widened Panama Canal becomes operational.

We appreciate your desire to identify an appropriate site for an intermodal facility within the City of Baltimore, and welcome the opportunity to work with your administration to evaluate alternatives that will meet the needs of the port, city, state and CSX.

The proposed intermodal facility will enhance the port's competitiveness and help lay the groundwork for strong, sustainable economic growth in the Baltimore area, consistent

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with your stated priorities for job creation and continued economic development in the City.

We look forward to working with the State of Maryland and your administration to identify a suitable site for this important project.

Very truly yours,


Michael J. Ward

MJW:cbs

cc: The Honorable Martin O'Malley, Governor, State of Maryland